

Customer Relationship Management as a Competitive Strength for the Organization

Dr. Nasser Jaradat •

Dr. Ahmad Areiqat • •

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Abstract:

This study aims to identify the role of the quality of products, and human resources capabilities, and the organizational culture in achieving customer relationship management as a competitive strength for the organization. By conducting interviews with the owners/managers of four furniture companies in Amman/Jordan, the findings of the study showed that there is a relationship between the quality of products and customer satisfaction, and HR has a significant role in achieving customer loyalty, while the business culture plays a role in attracting and retaining customers.

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- Philadelphia University, Amman, Jordanre
 - • Amman Private University, Amman, Jordan

1 - Introduction:

In this age, businesses characterized by globalization, open markets, huge information, and easy communication. Such characteristics created a heavy competitive business environment, and required from the organizations to compete effectively in the market place, for that an organization needs to think deeply to answer the following questions:

- How an organization can compete in the market place?
- What it needs to differentiate it self from others?
- Which abilities and capabilities required to achieve its goals?
- Strategic advantages across the entire organization must include; operations management, technology, business performance management, collaboration, material and production planning, financial management, customer relationship management, and engineering and product life cycle management (Jaclyn Aldrich Organization, 2008. www.visibikity.com).

This leads us to tackle the strategic advantage as a term pertains to the different activities and functions in one organization.

The question now is: Is there an organization can transcend other organizations in all of these activities? Higher net income, is the evidence of effective business performance management, but it may indicates to lower quality of products. In other words, an organization could be transcendent in its size, but another organization may takes the highest level in customer loyalty.

This study will focus on the customer relationship management as a factor derived from the organization strategy, which includes; customer satisfaction and customer loyalty.

Further more, customer relationship management is the point d`appui for other organizational activities, such as; quality control, pricing, human resource management, and production planning... etc. to maintain TQM (Total Quality Management).

As we know, the most important goal for any organization-particularly the profitable organizations- is to survive and to continue, but if the organization cannot solve its customer`s problems it will not continue, and the customers will shift to other competitors, then the organization will lose its market share, and the financial results will reveal losses rather than income, and the final result is: The organization destroyed itself by it-self.

2 - The Study Problem and Questions:

There are many organizations working in the same industry, but one can find that an organization is crowded by buyers, but the other one beside it may serves a little

number of buyers. Even though, in the same organization one can observe that «X Division» is favorable for the customers than «Y Division», and this leads us to suggest the problem of this study in the form of: «How and Why an organization has to acquire good relationships with its customers?».

This problem will be discussed according to the following questions:

- a - What are the roles of the quality of the products and services provided by an organization in building a good relationships with the customers?
- b - How can human resources management contribute in achieving customers loyalty?
- c - Is there any role for the organizational culture maintaining successful CRM?

3 - The Study Objectives:

This study aims to accomplish the following objectives:

- To identify the products and services` characteristics provided by the organization to its customers that ensure the customer satisfaction.
- To determine the employees` skills, qualifications, knowledge, and abilities, who would the organization hire to reach the customer loyalty.
- To specify the organizational culture`s elements that attract more consumers to be customers for the organization.

4 - Literature Review:

This section, need a survey process by the researcher to pick up the related previous studies that accommodate the current study, specially those who analyzed the factors and activities which followed by organizations to accomplish the best customer relationship management through two dimensions; customer satisfaction and customer loyalty.

In order to view the related previous studies, the researcher selected the following studies:

4-1- Pharma (CRM) Report, (2008). How Customer Relationship Management can Enhance your Business?

This report aimed to highlight the importance of CRM through the following benefits:

- «Customer satisfaction: using CRM, marketing, selling, and servicing your customer will be organized and systematic as every customer`s satisfaction.
- Increased Revenue: customer relationship management will result a shorter sale cycles because of efficient management of accounts and orders. This naturally

spur business growth and long term profitability as a number of customer`s increases and opportunities are maximized.

- Reduced Costs: through the use CRM, work and activities become systematic and coordinated.

This will eliminate waste of funds and result to reduce labor costs, and more effective and efficient business operation».

Although, these benefits are very important for any company, but the author did not take in account the cost of implementing the best customer relationship management specially when talking about the revenue and the cost.

4-2 - Saif Momaney, (2008). Quality Management Practices and their Impact on Performance.

The study aimed to illustrate that organizations can accomplish customer satisfaction, and customer loyalty through several keys, not only the quality of the product or the service.

The study results indicated that the employees practices have the most significant impact on customer satisfaction more than the products quality.

4-3- Holetzky, (2008). What is Customer Loyalty.

The study aimed to define the term customer loyalty, and how it can be accomplished by companies.

Mainly, the term customer loyalty is used to describe the behavior of repeat customers. The researcher pointed out that customer loyalty can be achieved by «offering a quality product, free offers, coupons, low interest rates, extended warranties, rebates, and other rewards and incentive programs».

4-4 - Abu Hamdah, (2008). An Evaluation of Strategic Advantage in Saudi Arabia Medical Companies.

The study aimed to define the factors that contribute in achieving customer satisfaction and customer loyalty. Through a questionnaire distributed on 130 respondents from the customers of two medical companies in Saudi Arabia, the study results indicated that customer satisfaction can be achieved through the quality of the products.

While the human resources management activities have a significant role in achieving customer loyalty also the organizational culture has a main role in attracting new customers.

4-5- Edwards, (2007). Get it Together with Collaborative CRM. Cited in:

<http://wikipedia/wiki/customer-relationship-management>.

The paper attempts to specify the ultimate goal of collaborative customer relation-

ship management, where the researcher indicated that «collaborative CRM covers aspects of a company`s dealing with customers that are handled by various divisions within a company, such as, sales, technical support, and marketing».

Here we can say that the main actors are; customers, employees, and information. The mechanism of this process starts by collecting information by the members of one division, through their interacting with the customers, then the related departments take several decisions in order to solve the problems or complaints, and / or to improve the product or the service the company produced. According to this analysis, the author pointed out that «the collaborative CRM goal is to use information collected by all departments to improve the quality of goods.

4-6- Parvatiyar and Sheth, (2002). Customer Relationship Management Emerging Practice, Process, and Discipline.

The objective of this study is to provided a conceptual foundation for understanding the domain of Customer Relationship Management (CRM) for many researchers and authors, he defined CRM as:

«Customer Relationship Management is a comprehensive strategy and process of acquiring, retaining, and partnering, with selective customers to create superior value for the company and the customer.

It involves the integration of marketing, sales, customer service, and the supply-chain functions of the organization to achieve greater efficiencies and effectiveness in delivering customer value».

4-7- Muasher and Haiete, (2002). The Impact of the Relationship between Total Quality Management Elements and Human Resources on Organizational Performance, for the Engineering Sector in Jordan.

This study had been conducted through two sets of variables; first, was independent variables which included; total quality management and its elements; (customer, feed back, job environment, product design, employees and the relationships with the suppliers), Human Resource Management and its activities (staffing, training, appraisal, rewarding system, and the quality of the employees. Second, was dependent variable; the organizational performance. The results of the study pointed out that there is a meaningful relationship between both (total quality management, and human resources characteristics and the organizational performance).

4-8- Killoran, (2000). Understanding the Aspects of the Customer and Resolving Differences between Customer Expectations and Venders Ability and Scope to Complete the Project.

The paper focused on the expectation gap, and the researcher considered that expectation is a feature of uncertainties, for that, an organization may meet a gap between its expectation and the customer expectation. To reduce the size of this gap, it is necessary for the organization to continue the relationship with its customers. The researcher indicated that «providing a product or service your customer perceive as excellent requires your to know what it is that your customer want, but if the organization is only slightly inaccurate about its assumptions, it could lose the opportunity to another organization that has more accurately filled the customer`s needs. And if this inaccurate determination of the customer needs continue, the organization may lose its market share and go out the market place.

4-9- Wallace and Kanji, (2000). Business Excellence Through Customer Satisfaction.

The researchers indicated that Forney`s model could be used as a tool to measure customer satisfaction.

Figure I below shows the components of the model.

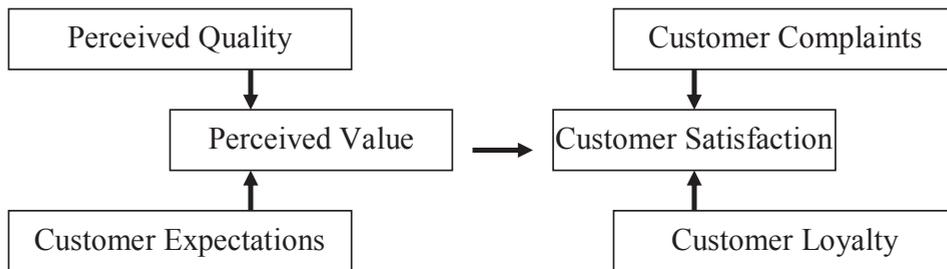


Figure I: Components of Forney Model 1992

The results of the study described the interrelationship between all the components, and their role in maximizing customer satisfaction.

4-10- Du and Tseng, (1999). Characterizing Customer Value for Product Customization.

The study distinguished between two approaches of customization. First, variant customization, which means certain custom product is designed through modifying a base product that is similar to what the customer wants. Second, figured customization, this approach, based on the modular design and custom products are the configuration of various functional module. The researchers added that «usually a configured custom products are start with a core platform with standard features for a group of customers». For example, the automobile manufacturers especially in Korea export cars

for European and American Markets, different from those for the Middle East Markets.

5- The Theoretical Frame Work:

In this section the researcher will discuss the customer relationship management, which lead to customer satisfaction and customer loyalty and are considered as factors for competitive strength.

A strategic management is a process that encompasses strategic planning, implementation and evaluation (Robbins and Coulter, 2005, p. 182). And strategic management leads the organizations to accomplish significant advantages through the different levels in the organization structure. One of the competitive strength of the organization is customer`s service strategy.

For that, organizations attempt to manage its customer through developing strategies to gain a positive relationship with its customers. In many advanced organizations one can find a department or a division devoted for customer relationship, and the responsibility of this department is to create and maintain an excellent relationships with the customer.

5--1 What is Customer Relationship Management (CRM).

In this age, many organizations exploit several resources to build up its customer base, through adopting strategies, programs, tools, and technology for effective customer relationship management. To build close and cooperative and partnering relationship with their customers, organizations need integrated customer knowledge (Parvatiyar and Sheth, 2003, p. 1).

Customers and markets are the two critical issues that the organization has to understand well, by this understood an organization can develop a strategic plan to create a market niche and develop its customer base to be successful. And if the organization has the ability to homogenize the development process for the customer information with the development process of the internal business process, this may lead to some from of a competitive advantage in the market (Killoran, 2001).

In addition, customer relationship management has to take in account that; not all customers are equally profitable for an organization, there fore, the organization must be selective in directing, designing, its programs and marketing efforts, by segmenting and selecting appropriate customers for individual marketing programs (Storbacka, 2000, Cited in, Parvatiyar and Sheth, 2002). And the question now is: What is customer relationship management?

There are many definitions of CRM in the literature, the following are some of these definitions:

- CRM is the process of affiliation a strategy that based on giving customers what they want, it need communication effectively and training (Robbins and Coulter, 2005, p. 197).
- CRM is a term applied to process implemented by a company to handle its contact with its customers (<http://wikipedia.org/wiki/customer-relationship-management>).
- CRM is the combination of processes, software, principles and strategies for achieving effective customer relationship management (Pharma CRM Report, 2008).

But the most appropriate definition for customer relationship management is: CRM is a comprehensive strategy and process of acquiring, retaining, and partnering with selective customer to create superior value for the company and the customer. It involves the integration of marketing, sales, customer service, and the supply-chain function of the organization to achieve greater efficiencies and effectiveness in delivering customer value (Parvatiyar and Sheth, 2002, p. 5). From this definition we can note, that CRM is a whole system, comprises subsystems, according to the systems approach which view the system as a whole and its subsystems interact together through interrelationships, and each one depends on others, and interact effectively with the organization`s environment, as an open system (Hodge, 2003, pp. 68-74).

Some organizations maintain a designated public relationship department, to be responsible for achieving a good relationships with the customers. But actually, customer relationship management forms a responsibility for all the organization`s members.

This because the customer is the final judge of the quality of the product or the service, through his interaction at very point of contract, not just when he or she is marking a purchase or complaining about a problem (Burk Wood, 2004, p. 267).

The question now is: Why organizations strive to maintain an excellent relationships with their customers?

As mentioned earlier in the introduction of this research, losing its customer, the organization will go out of the market place, because the most important asset in any business organization is the strength of its relationships with the customers (Christopher, 2003, p. 46).

Also, there are significant benefits make an organization seeking for an excellent customer relationship management, because such relationships are the heart of every business success (Pharma, Report, 2008). And implementation the activities of customer relationships management enables organizations to understand easily the cus-

tomer requirements and needs, and this helps the organization to meet customer`s needs effectively, to forecast the market trends, and enhance their bottom line.

In addition, the organization will gain the following advantages:

- a- Customer satisfaction – marketing, selling, servicing, the customer by using CRM will be organized and systematic. As every customer interaction is done in a consistent way, the organization exceeds customer satisfaction.
- b- Increased the financial performance represents by revenue, return on equity, and return on assets (Al-Damen, 2006, p. 78).
- c- Reduced costs – through using (CRM) the labor productivity will increase, because this will eliminate waste of funds, and result to reduced labor costs (Pharma CRM Report, 2008 and Al-Damen, 2006, p. 78).

By exceeding customer satisfaction, an organization can build customer loyalty. Customer loyalty as a term used to describe the behavior of repeat customer, as well as those that offer good ratings, reviews, or testimonial. Some customers do to a particular company a great service by offering favorable word of mouth (WOM) publicity regarding a product, telling friends family, and neighbors, thus adding them to the number of loyalty customers (Holetzky, 2008). And because the customer is the final judge of product quality, an organization can achieve customer loyalty and retention by understanding the current and future needs of current and potential customers (Al-Damen, 2006, p. 23).

Also, organizations can employ communication to be in touch with their customers to build customer loyalty.

Other organizational activities have their important role in building customer loyalty, such as, after purchasing service, providing supplementary services to the customers has a great contribution in creating customer loyalty, because such services increase the brand quality and encourage the customer to buy again and again the same brand from the same organization. Further more, the loyal customer will act as a hidden marketer for the brand and the organization, by telling his friends, family that he has purchased this brand for its high quality, and the seller pay more attention for him through telephone calls to ask him if he has any complaint derived from using the brand. These actions will dig the names of both the brand and the organization in the customer brain (All Business.com, 2008).

Another factors and actions may have a role in achieving customer loyalty such as; free offers, coupons, low interest rates, extended warranties, and rebates (Holetzky, 2008).

5--2- Human Resources Management and Customer Relationship Management (HRM and CRM).

As a human, the customer wants to talk with a human, and the human only can listen to others and understand what they are talking about, this learns us, that there is a close relationship between human resources management and customer relationship management in every organization.

Human Resources (Employees) for any organization are the key of success in customer management especially those in the first stage because they deal directly with the customer. Only employees in any organization can listen for the customer and understand his needs, and they are the only factor who can adapt other organizational resources to focus on the customer satisfaction. Then the CRM efficiency depends on employees morale efficiency. Organizations have to know that a satisfied employee can satisfy customers, and if it has a good human resources management system, it can strongly improve the customer relationship management.

In any organization, the main part is the customer, we should satisfy our customer, and to do that we should develop our human resources management, and establish a human resources strategies. And this required using humanistic materials such as, motivation recruitment, payment, promotion, and empowerment, with applying CRM processes for having fixed and loyal customers or building a strong relationship with our customers, that they trust us (Noruzi, 2007).

There are five steps to accomplish CRM processes through HRM:

1. Have or create a clear talent management strategy.
2. Combine recruiting strategies with innovative tools to identify key talent.
3. Use technology to build and monitor your pipeline enabling information knowledge.
4. Engage recruiters in the business who can see the relationship between what they do, and how it can effect the organization`s overall performance.
5. Stress the development of building relationship with potential talent (Coker, 2006).

Customer service in today`s organizations is a key ingredient in attracting new customers and retaining existing ones. And because of the competitive business environment, a poor customer service became the leading complaint cited by customers who

stop buying a company's products or services. The case of «American Express» is a good example to describe the relationships between CRM and HRM processes.

American Express, clearly recognizes this problem and goes to great lengths to ensure that its customer-service representatives are properly trained and rewarded for providing high quality service to the firm's cardholders and other customers. Indeed, the firm's customer-service representatives must be knowledgeable about a wide array of financial services. They must also be knowledgeable about the highly regulated financial industry in which they operate. And they must always be polite and respectful when talking to customers on telephone.

To help maintain a properly trained workforce, American express relies on a combination of class-room and web-based training. Some instructional material is presented in the form of half-hour e-learning modules that employee can view on their computers. But the firm also understands the importance of class-room training, especially in areas associated with high-quality customer service. While some firms outsource their training to other companies, American Express handles all its training in-house. Managers argue that only in-house experts can provide the quality of training that the firm requires. They also point out that most trainers started out as customer-service representatives, which demonstrates that opportunities for advancement exist in the company. The firm also focuses heavily on training assessment.

All training participants are surveyed routinely to determine their perceptions of the quality and value of the training they receive. And American Express also prides itself on monitoring the actual performance changes that result from training. For instance, if a training program is intended to shorten telephone calls with customers by teaching representatives how to use the firm's information systems more efficiently, tests are done to see if the length of telephone calls actually drops after training is completed.

Before analyzing the case, it is useful to repeat the talk of the president of loyalty factor in a training company (Diane Durkin) «it costs ten times more to get a new customer than to maintain a existing customer. You really want to keep existing customers happy» (Denisi and Griffin, 2005, p. 320).

From American Express case, we can recognize, that the firm employs the systems approach, the firm view training as a whole system that includes; training methods, representatives, needs, training program, as subsystems, and the firm applies all the steps of training process, from needs assessment to evaluation.

Also the firm directs training efforts toward the most important stakeholders in any organization, that is the customer, also the firm focuses on maintaining its customers

through the high-quality of customer service, which is the key for excellent relationships with the customers.

One of the important factors in achieving customer satisfaction and loyalty is the human resources, because employee behavior reflects the organization, mission and policy. Any organization has to know that a satisfied employees will generate satisfied customers. Many organizations recognize that there people are the most important asset because the employees play a significant role in organizational success (Robbins and Coulter, 2001, p.282).

Human Resources management comprises eight activities as follows:

a) Human resource planning:

The term «planning» means to see the future, how it will be, what changes will happen, and how you will meet these changes. Human resource planning is the process by which organizations ensure that they have the right number and kinds of people in the right places, and at the right time, who are capable of effectively and efficiently performing assigned tasks. That requires from the HR management to compare the current work force with the future estimates to determine employment gaps, and to develop plans to overcome these gaps, then the plan will include many aspects such as, the number of the current employees, the number of needed employers, skills needed, how the organization will attract the potential employees, which employment resources will be used, and the expected cost for implementation of the plan. The factors that have the main role in determining the human resource needs are the organizations mission, goals, and strategies (Robbins and Coulter, 2005, 286). These factors specify the needed skills, knowledge, behavior of the potential employees. Then, we can say that there is a relationship between the organizations goals, mission, and strategies, and the kind of the employees needed it, if the organizations, goal was to assess customers relationships, it must attract people who can deal friendly with the customers, specially those in the front stage.

b) Recruitment: in this stage, an organization, sought have to perform the process of locating, identifying, and attracting capable applicants are the primary objectives of recruitment process. Recruitment activities are designed to affect three dimensions:

1. The number of people who apply for vacancies.
2. The type of people who apply for them.

And /or 3- the likelihood that those applying for vacancies will accept positions if offered (NOE and others, 2008, p.202), then the goal of an organizational recruitment program is to ensure that the organization has a number of reasonably qualified applicants to choose from when a vacancy occurs. There are different sources from which

recruits can be drawn, internal and external sources. Using internal sources provides several advantages to the organization.

- Well known applicants to the organization.
- The applicants are relatively knowledgeable about the organization vacancies.
- Using internal sources to fill vacancies is cheaper and faster than using external sources. (NOE and others, 2008. p.207)

In many cases, labor supply obliges organizations to rely on internal sources to fill vacancies, through employees, promotion, or job posting.

In this age, the age of globalization, information, and competition, organizations strive to acquire the best thing in every thing, and because of the importance of the work force, organization are now designing recruitment and retention efforts at the system level, because the system approach caters many benefits to the organization such as, shares resources, decreases duplication, and increase the number of ideas and creative approaches to recruitment and retention.

In order to highlight the relationships between recruitment process and the organizations goals, and because, one of these goals is to build positive relationships with the customers.

HRM, has to distribute its focus on retention and recruitment activities, specially in the case of employees turnover increase, and to identify the reasons stand behind this aspect, HRM, has to gather information from the employees who are working in the organization since a long period, in order to resolve the problems that meet the work-force in the organization, and to satisfy them, and as we mentioned earlier « satisfied employee equals satisfied customer».

Finally, organizations through HR Management have to construct its recruitment policy to involve sequence steps, these steps are:

1. Determine the recruitment goals:

A recruitment plan should be based on standards that reflect the organizational goals the plan has to answer questions such as, what are the needed skills the accomplish each goal? What is the kind of the potential person? And what is the educational level for the needed employee? That means, that the recruitment process expresses an interrelationship with the organizational goals.

2. Review Job Description:

Job description may needs updating since the last Person was hired, or the organization may need to create a new job description, this may requires to talk with the previous person in the position and set his or her inputs on how the job description could

be set his or her inputs on how the job description could be improved, and what are the responsibilities, skills, qualifications, and experiences needed for the job.

3. Setup a recruitment budget:

HR management with Coordination with other departments in the organizations, specially, financial manager, who have to understand very well that the recruitment plan defines the organizations future, there fore the recruitment budget should be one of the largest items in the whole budget.

4. Define the recruitment procedures and methods:

Human resources management has to evaluate the appropriate recruitment methods for each vacancy to choose the best method, for example, if the needed person will fill a future job, human resources management may communicate with universities to select one or more from the knowledgeable students and attract them to work for the organization after their graduation, here, the incentives play a significant role, and some organizations may provide a scholarship for the student to ensure that he will work for it. Another methods for recruitment, such as, announcements in the newspapers, recruitment agencies, and electronic recruitment.

5. prepare an interviewing technique:

This stage located between recruitment and selection activities. Before conducting the interview, develop job- related questions. Open-ended questions allow the interviewer to get more information about the candidate, such as, what kind of risk did you face in your previous job? What kind of incentives you prefer? And why? (laknhotia, 2008).

C- Selections

After developing the recruiting activities, organizations now have a pool of candidate, the next step in the human resources management process, is to determine who is the most appropriate candidate for the job. In other words, human resources management will select the best qualified person for the job. Then the definition of selecting process is the process of screening job applicants to ensure that the most appropriate candidates are hired (Robbins and Coulter, 2005, p.288).

Some authors distinguished two approaches for selection first traditional approach which focuses on defining an optimal candidate profile, based on systematic analysis of the job requirements. Then potential employees are measured in order to choose the candidate who most closely fits this optimal profile. Traditionally, selection process involves a number of logical steps, which results in a rational decision where that best candidate is offered the job.

The second perspective focuses on the processual approach to selection, where the recruitment and selection are seen as a process of exchange and negotiation. The success of this process means that the expectations of each party (organizational and the candidate) are homogeneous, and the result will be responding of one party to the expectations of the other party (Al-Damedn, 2006, p.121).

Both of the two approaches to selection process emphasize «fit» is assumed between personal characteristics and competencies of the individual and the technical demands of the particular job.

The most critical issue in selection process is the decision making by human resources management process, because this decision has four possible outcomes. Two of these outcomes would be right, and two would be wrong. The correct decision occurs in two cases, first, when the applicant was predicted to be successful on the job, second, when the applicant was predicted to be unsuccessful and would be so if hired. The first case represents, successfully accepted, but the second case represents successfully rejected. The other two probabilities focus on errors in the selection process, assume that the organization rejected and applicant who would have performed successfully on the job, this decision is wrong because the organization ignored the errors, or if the organization accepted applicants who perform poorly in this case the organization accepted errors (Densis and Griffin, 2005, P.211).

Performing good selection process and taking right decisions is a significant factor for the organization to achieve its strategic goals, for example if the organizational goal was to implement (HRM) functions, the organization has to select the applicants who have public relationship qualification, communication skills, with ability to deal good with others. In addition, there are many types of selection devices, such as; application forms, written and performance simulation, tests, interviews, background investigations, and physical exams.

D. Orientation:

After the selection process, which means that human resources management officers, selected one or more applicant from the people who has been recruited by HR, logically, this new employee needs to know a set of basics about the organization and about the job that he will perform, from here we can define orientation «introduction of a new employee to his or her job and the organization (Robbins and Coulter, 2005, p. 293).

There are two kinds of orientation:

DI. Overview Orientation: this kind of orientation deals with the basic information

needed by the employee to understand the broader system he or she work in. and it aims to enable new employee to understand the following:

- Organization objectives, history, and philosophy.
- Important policies and general procedures.
- Information about compensation and benefits.
- Safety and accident prevention issues.
- Employee rights and responsibilities.
- Physical facilities (Bacal, 2008). The kind of orientation can be conducted by human resources department, and a little help from the employee`s supervisor.

D2. Job-specific orientation:

It is the process that is used to help employees understand:

- Function of the organization, and how the employee fits in.
- The responsibilities and expectations of the job.
- The internal policies, procedures, rules and regulations.
- Layout of workplace.
- Introduction to co-workers and other people in the broader organization (Bacal, 2008).

Although, orienting employees to their workplaces and their jobs is very important, but it is one of the most neglected functions in many organizations. Orientation program, regardless if was for along or short period affects positively both retention and productivity (Brown, 2008).

In addition, the researcher, suggests that the most important customers are from the people who organizations must includes them in the introduction of the new employee, this will be expressed as an indicator that of the organization gives more care and attention to its customers, in order to build good relationships with them.

Also orientation is important not only for new hired, it is important also for existing employees in two cases; first, if these employees have never received proper orientation.

Second, if there have been many changes in the organization and it`s purpose and function (Bacal, 2008).

Finally, well orientation is not a decoration activity among the human resources management practices, but it is a functional steps that involves perfectible purposes:

- To reduce start up costs-proper orientation enables the employees to learn about the job much more quickly.

- To reduce anxiety, it helps the employee to overcome his fear from entering into unknown situation.
- To reduce employee turnover. Orientation represents a message that tells the employee that he is valuable for the organization, also orientation helps him to get the tools, information, and methods for succeeding in the job.
- To save time for supervisors and co-workers: the better the initial orientation, the less likely supervisors and co-workers will have time teaching the employee.
- To develop realistic job expectations, positive attitudes and job satisfaction (Brown, 2008).

E. Training:

In today`s business environment where change is constant, technology is cheap and skill shortages are common place, this makes people the key differentiator between organizations that succeed and those that don`t.

Training and development function are the tools that used by organization to overcome the skills shortages, and they play a pivotal role in moving an organization forward.

Employee training is an important human resources management activity, it is a planned effort to facilitate the learning of job-related knowledge, skills, and behavior by employees (NOE, 2008, P. 267). Training and development together represent yet a major human resources function that managers need to address, and in spite of combination between training and development, they differ in respect of to whom each one is presented.

As we mentioned before, employee training, is a planned attempt by an organization to facilitate employee learning of job-related knowledge, skills, and behaviors. But development refers to teaching managers and professionals the skills needed for both present and future jobs (Denisi and Griffin, 2005, P. 321).

Traditionally, training involves teaching operational or technical employees how to do their jobs more effectively and more efficiently, through mastering knowledge, skills, and behaviors emphasized in training programs and to apply them to their day-to-day activities. Recently it has been acknowledged that to offer a competitive advantage, it has to involve a switching from a primary focus on teaching employees specific skills to a broader focus of creating and sharing knowledge (NOE and OTHERS, 2008, p.276).

Most organizations find it appropriate and effective to continue training and development on a regular basis. That means, employees must be continually trained and developed to enhance or improve the quality of the contributions they are making to the organization. According to this perspective training activities must be designed according to the instructional design process, training process according to this system, which is a systematic approach for developing training programs.

That needs many steps and producers must be performed by the human resource department in the organization.

These steps emphasize that effective training practices involve more than just choosing the most popular or colorful training method. The steps are:

- Assessing training and development needs, in this step, human resource managers responsible for training must determine the organization's true needs, by focusing on two issues: the organization's job-related needs and the capabilities of the current workforce (Denisi and Griffin, 2005, P. 328).

Needs assessment aims to determine if training is necessary, and this needs from HR managers to conduct three types of analysis: organization analysis, task analysis, and person analysis.

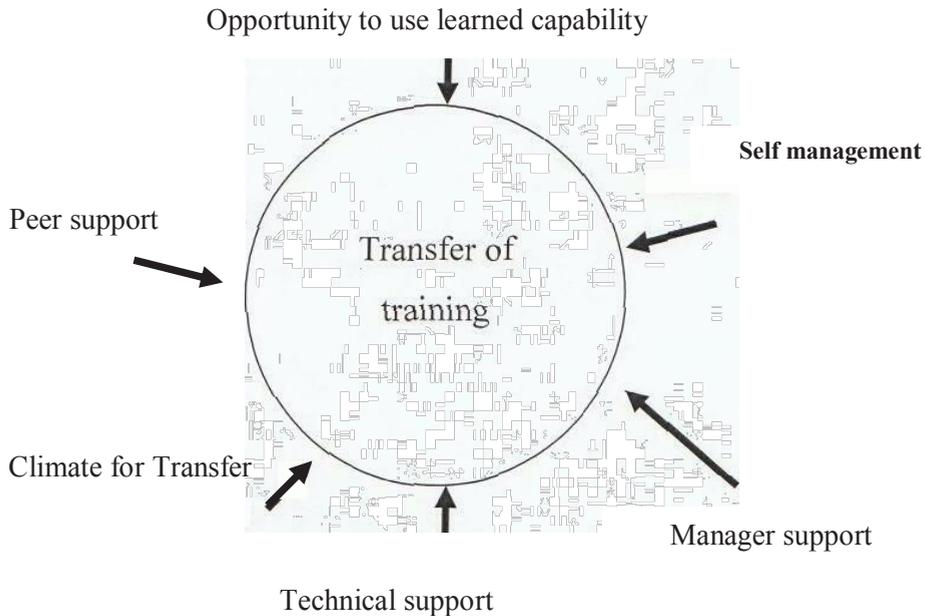
- Ensuring employees' readiness for training: this step, is to evaluate whether employees are ready to learn. Readiness for training refers to; the personal characteristics of employees, such as, ability, attitudes, beliefs, and motivation, and to evaluate the work environment as a supporter for learning. In this step, also managers may play an important role, to motivate employees to train and learn.
- Creating a learning environment:

Employees need to understand the objectives of the training program, to help them understand why they need training and what they are expected to accomplish. Human resources managers and the employee's supervisors must increase employee motivation to learn, by using incentives in order to make the training process enjoyable for the trainees.

- Ensuring transfer of training:

Transfer of training means the use of knowledge, skills and behaviors learned in training on the job. HRM has to observe many factors to ensure that trainees are applying the ideas they have learned on their jobs.

The figure below shows these factors



Work environment characteristics influencing transfer of training.

Source: Human Resource Management, Raymond A. NOE, and Others, 2008. MC-Graw-Hill Irwin.

- Selecting training methods:

There are several methods can help employees acquire new knowledge, skills, and behaviors. Also training can be on the job, off the job, or both. By on the job training (OJT), organizations can provide training while performing the job in the actual work-place. Internships, apprenticeships, and job rotation are common forms of OJT. Apprenticeships involve learning a trade from an experienced worker. They are quite common in Europe and relatively uncommon in the united states (JR, Schermerhorn, and others, 2000, P. 131).

Off-the-job training, organizations can use several methods to conduct a training

program such as:

1. Lectures in a classroom, in which the trainer and the trainees exchange information and discuss problem-solving and technical skills.
2. Videos are particularly good for demonstrating various skills.
3. Simulations, such as, experiential exercises, business games, and various computer-based exercises, are useful for teaching interpersonal, leadership, strategic management, customers relationships and other complex skills (Shermerhorn and others, 2000, P.131).
- Evaluating training programs:

The final step that belongs to the human resources management activities, is to evaluate the outcomes of the training program. Training outcomes if measurable provide a way to evaluate the effectiveness of a training program based on cognitive, skill-based, affective and results outcomes (NOE, and Others, 2008, P. 309).

The question now is: why organizations evaluate training programs?

1. To identify the program`s strengths and weaknesses.
2. To assess whether the content, organization, and administration of the program contribute to learning and the use of training content and job.
3. To identify which trainees benefited most or least from the program.
4. To take the participants recommendations about repeating the same program to others or not.
5. To compare the costs and benefits of the program (McNamara, 2008).

F. Career Development:

The term career according to our study purposes is «the sequence of positions held by a person during his or her life time» (Robbins and Coulter, 2005, P. 299). From this definition, we can say that career planning and development means, working with managers and / or with human resources experts on career issues. Career development pertains to long-term strategies for the organization. Formal career planning starts with personal assessment, and then progress through analysis of opportunities, selection of career objectives, implementation of strategies, and evaluations of results (Schermehom, and others, 2000, P. 132).

5.3. Organizational Culture and Customer Relationship Management.

An organization may run into more specific challengers in accommodation customer`s requirements due to lack of cultural sensitivity. For example, McDonald`s only began making a profit in Portugal after they realized that they need to open a

small café` within each store and serve espresso in cups and saucers (Robbins and Coulter, 2005, p. 94). This example tells that organizations have to change or update its culture to respond to their customers` culture, to attract more customers from the whole consumers of a good or service. Also we can learn from this example that people in Portugal love to drink espresso during or after eating, then if the organization located the two favorite goods in the same place it will increase the number of the customers, and the relationship with them.

The organizational culture is; set of values, norms and beliefs that are reflected in an organization`s structures and systems, including its customs, stories symbols, traditions and rituals, and the language in which all these facts are expressed.

In managerial literature that defines organizational culture, as a system of shared meaning and beliefs held by organizational members that determines, in large degree, how employee act (Robbins and Coulter, 2005,p. 52) and (Bannock, 2002, p. 260). And because any organization is a part from the whole community in which it works, the organization has to respond to the whole culture. That will affect the customer behaviors according to their habits, beliefs, and norms. For example, ecological customers are willing to buy greening brands because they care for the healthy environment, so the organization have to adapt with their culture to attract them to be from its customers (Abu-Hamdah, 2008, p. 42).

All organizations have some form of culture, and it can be regarded positively or negatively. On the positive side, it delineates an organization from others, gives people in an organization a sense of identity and purpose beyond narrow self-interest, provides a social fabric by helping employees to see where they fit in, and help to define and enforce the rules of engagement in an organization, for example, employees want to know what they can or cannot do. If all these elements are well-defined, the organization will have a strong culture, which it is easier to see, whether an employee will fit into the organization or not.

Strong culture affects selection and recruitment, promotion and statues, and employee retention.

It is also easier for suppliers, customers, and consumers because they will tend to be treated consistently by all employees (Bannock, 2002,p. 260). And that support that customer`s satisfaction is the responsibility of all organizational members, as mentioned earlier.

Culture may influence the strategic planning process, and thereby, and organizational performance in many ways:

1. Culture shapes the way people think, behave, and evaluate. This in turn affects decision processes such as planning.
2. Cultures vary along critical values and beliefs that affect a variety of management processes including planning (Hoffman, 2007).

In order to achieve good customers` relationships, organizations have to create a customer-responsive culture, which refers to the following characteristics:

- The type of the employees themselves: successful, service-oriented, organizations hire employees who are friendly.
- Few rigid rules, procedures, and regulations. That means a level of flexibility, that gives service employees the freedom to meet changing customer service requirements.
- Widespread use of empowerment: empowered employees have the decision to do what necessary to please the customer.
- Good listening skills: employees in customer-responsive cultures have the ability to listen to and understand messages sent by the customer.
- Role clarity: service employees act as links between the organization and its customers, which can create considerable ambiguity and conflict. This reduces employee job satisfaction and can hinder employee service performance.

Also, successful customer-responsive cultures reduce employees uncertainty about their roles, and to perform their jobs in the best way.

- Customer-responsive cultures have employees who are conscientious in their desire to please the customer. They are willing the initiative, even outside their nominal job`s requirements, to satisfy a customers needs (Robbins and Coulter, 2005, p. 61-62).

6- The Study Results and Recommendations:

6 -1- The Result:

Through constructed interviews with owners, managers, and employees in four furniture companies in Amman, the following results were pointed out:

1. In this type of business the product`s quality is very important because furniture is a durable good. Then the customer satisfaction can be measured by how long will the product serve.
2. The owner of a company said «we have customers who buy from here since 20 years and over». By asking some of the customers who were in the show-room during the interview, they gave several reasons for that; first: because she respect this company and its product, employees, and prices. Second: because

they provide the product or the service exactly in the needed time. Third: because this company offers many options to the buyer, and that includes good facilities in payments.

3. All the sample (four companies) have smiling employees, and they know how to do their jobs, also they write down the customer requirements in a friendly way. One of the customers told the researcher that she felt proud when the employee told her that she is tasteful.

According to these results, the findings of the study indicates the following:

- There is a relationship between the quality of the product and customer satisfaction.
- There is a significant role for the human resources in achieving customer loyalty.
- The organizational culture is the main factor attracting and retaining customers.

6 - 2 - Recommendation:

The study presents the following recommendations for the profitable organizations:

1. Organizations have to know that their customers are their business engine and generator.
2. In order to retain their customers, organizations have to adopt new elements in its culture, such as the customer is always right, telling the truth, and respect the customer.
3. The smart organizations can satisfy its customers through reducing the gap between what they provide and the customer expectations, buy using communication technology.
4. A satisfied customer may take the role of a marketer for the organization through world of mouth.

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إدارة العلاقة مع الزبائن باعتبارها القوة التنافسية للمنظمة

د. ناصر جرادات
د. أحمد عريقات

تهدف هذه الدراسة إلى بيان دور كل من جودة المنتج، وصفات الموظفين ومهاراتهم وإمكانياتهم، والثقافة التنظيمية في تحقيق إدارة علاقات العملاء ممثلة برضا العملاء وولائهم. وقد أجريت الدراسة على أربعة من شركات المفروشات والأثاث العاملة في مدينة عمان/الأردن، وأشارت نتائج الدراسة إلى أن جودة المنتج تحقق رضا العملاء، كما أن لصفات الموظفين ومهاراتهم أثر مهم في تحقيق ولاء العملاء، وأن ثقافة المنظمة تلعب دوراً في جذب العملاء واستبقائهم.